

EVERGREEN SCHOOL DISTRICT NO. 114
Clark County, Washington
September 1, 1993 Through August 31, 1994

Schedule Of Findings

1. Internal Controls Over Associated Student Body Fund Raising Activities Should Be Improved

Our audit of fund raising activities conducted by the Associated Student Body (ASB) at Covington Junior High School disclosed the following internal control weaknesses:

- a. Administrative oversight was lacking.
- b. Records were not available.
- c. Student and advisor accountability was not maintained.

RCW 43.09.240 states in part:

Every public officer and employee shall keep all accounts of his office in the form prescribed and make all reports required by the state auditor

In addition, Evergreen School District's fund raising procedures state in part:

A file is to be kept on each fund raising activity. The file should include: a record of the physical inventory of the unsold merchandise, a copy of the vendor's memo for the merchandise returned, and a final reconciliation of the fund raiser.

Because of lack of proper documentation, the quantity of merchandise sold or the completeness of revenue collected and deposited could not be verified. As a result of these internal control weaknesses, errors or irregularities could occur and not be detected in a timely manner.

Due to a recent change of personnel in the ASB office, staff was not aware of the importance of following district procedures. In addition, management did not enforce procedures.

We recommend district officials strengthen internal controls over ASB fund raising activities by:

- a. Requiring district procedures be distributed to all advisors contemplating fund raising activities.
- b. Requiring all records from individual fund raising activities be retained for audit.
- c. Requiring students to sign record sheets for the products received, the unused products returned, and the cash turned in to the school secretary.

- d. Requiring advisors to reconcile actual revenue to anticipated revenue.